

ATTACHMENT #4

PERSONAL SERVICE AND EXPENSE AND EQUIPMENT FLEXIBILITY

Flexibility is very helpful in achieving the results desired by the Governor, the General Assembly, and Missouri citizens. The General Assembly approved limited flexibility in the Fiscal Year 2005 budget. Agencies interested in increased flexibility should work closely with Budget and Planning to develop clear, articulated rationale and justification for this request. Agencies should use the form and process described below for requesting budget flexibility.

Flexibility must be requested each year, even if approved in the prior year. Therefore, agencies must complete the Flexibility Request Form to justify and seek approval to continue any flexibility that was received for Fiscal Year 2005 and to request any new flexibility. Separate appropriation numbers will be assigned to personal service appropriations and to expense and equipment appropriations in case the flexibility is not approved. If the flexibility is approved, agencies may transfer authority between the appropriations upon approval from the Division of Budget and Planning. Agencies should reallocate their budget to reflect the amount being requested for personal service and expense and equipment in case the flexibility is not approved.

Agencies should not reallocate their core or request new decision items using a PS and/or E&E appropriation.

Documentation and Presentation Requirements

1. Agencies must complete the Flexibility Request Form to document the request and provide justification. The Flexibility Request Form should be placed behind the associated Core Decision Form in the agency's budget submission.
2. Agencies must publicly present the request to the House Appropriations Committee, House Budget Committee, and Senate Appropriations Committee as part of their budget presentation.
3. The House Budget Committee and Senate Appropriations Committee must approve any request directing staff to write appropriations bills with flexibility.
4. If flexibility is approved, agencies are required to submit a quarterly report to the Chair of the Budget Committee, the Chair of the appropriate House Appropriations Committee, the Chair of the Senate Appropriations Committee, and their Budget and Planning analyst on how the flexibility has been used during the quarter. The quarterly reports are to be submitted no later than 15 calendar days after the close of the given quarter even if the agency has not used any flexibility during that quarter. A standard reporting format will be developed and distributed to agencies.
5. Flexibility decisions are for a single appropriation year. Extensions may be approved on a year by year basis with proper justification and approval of General Assembly.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: BUDGET UNIT NAME:	DEPARTMENT: DIVISION:	
1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.		
DEPARTMENT REQUEST	GOVERNOR RECOMMENDATION	
2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount		
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
3. Was flexibility approved in the Prior Year Budget or the Current Year Budget? If so, how was the flexibility used during those years?		
PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE	